

EXHIBIT 7

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1 UNITED STATES DISTRICT COURT
2 SOUTHERN DISTRICT OF NEW YORK

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3 CHEVRON CORPORATION,

4 Plaintiff,

New York, N.Y.

5 v.

11 Civ. 691(LAK)

6 STEVEN DONZIGER, *et al.*,

7 Defendants.

8 -----x

Argument

9 May 8, 2018

4:40 p.m.

10 Before:

11 HON. LEWIS A. KAPLAN,

12 District Judge

13
14 APPEARANCES

15
16 GIBSON, DUNN & CRUTCHER, LLP

17 Attorneys for Plaintiff

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22 BY: HERBERT J. STERN

23 STEVEN R. DONZIGER

24 Pro Se Defendant

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1 MR. MASTRO: Thank you.

2 Thank you, Mr. Donziger. Sorry.

3 MR. DONZIGER: Your Honor, good afternoon. Mr. Mastro
4 could not be more wrong, and I'm going to tell you why.

5 Chevron exhibited tremendous bad faith in its initial
6 motion to hold me in contempt by citing the wrong order. They
7 cited your originally RICO judgment rather than the
8 clarification order that you issued on my motion on April 25,
9 2014.

10 THE COURT: Mr. Donziger, that was not a clarification
11 order. That was a ruling on a motion for a stay pending
12 appeal.

13 MR. DONZIGER: Be that as it may, in that order you
14 made it explicit that my clients in Ecuador were allowed to
15 sell their shares in the judgment to finance litigation
16 expenses, that is, to sell shares to investors in anticipation
17 of some sort of future collection, and you distinguished
18 between doing that and actually selling shares that I owned
19 myself to profit personally.

20 And they have not met their burden. They haven't
21 presented one iota of evidence. And the Greenwald -- Lee
22 Grinberg affidavit does not make this out. It describes me
23 going to a meeting, trying to sell shares of my clients, not my
24 own shares. There is no evidence. And I promise you if you
25 got Mr. Grimwald in here to testify, he could provide no

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1 evidence, or Ms. Sullivan, that I ever have attempted or ever
2 have sold my shares. I am allowed, if I sell the shares of my
3 clients, to get paid for my work on this case. You yourself
4 said that in the April 25 order and I can quote that right
5 here.

6 You said: "Thus as long as no collections are made in
7 respect to the Lago Agrio judgment," which has never happened,
8 "the New York judgment could not prevent Donziger from being
9 paid just as he has been paid" -- you put an amount of money in
10 there -- "over the last nine or ten years." I'm going on your
11 guidance from April 25.

12 Further, I feel like I have been acting in full
13 compliance with the order as explained in docket 1801. His
14 little booklet is almost all citing docket 1875. But in 1801,
15 your Honor explicitly said we could sell shares to fund the
16 litigation. You said it in multiple ways.

17 In terms of monetization -- let me just cite one other
18 quote. You said on page 3 of the judgment, 1801:
19 "Significantly, the New York judgment did not restrict the
20 other LAPs, who remain free to sell, assign, or transfer their
21 interests, if any, in the Lago Agrio judgment and to seek to
22 enforce it anywhere in the world."

23 I'm selling, as an intermediary, the points or the
24 aspects of the judgment that are held by my clients. I am not
25 selling my own shares, because that obviously is prohibited by

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1 bordered on the irresponsible by me. How can I take away from
2 that anything other than that we are allowed to continue
3 financing? I'm not selling my shares; I'm selling my clients'
4 shares.

5 And by the way, the agreements for these deals are
6 between people in Ecuador who own the judgment and the
7 investors.

8 As regards Amazonia --

9 THE COURT: Who owns the judgment?

10 MR. DONZIGER: What's that?

11 THE COURT: Who owns the judgment?

12 MR. DONZIGER: Well, the Amazon Defense Fund is the
13 beneficiary of the judgment as part of the collective interest
14 of all those affected. So if there is a collection, the fund
15 would flow to the Amazon Defense Coalition, which is known as
16 the FDA in Ecuador, and they would be obligated to use those
17 funds consistent with the Ecuador judgment -- I mean the
18 Ecuador judgment, which would be for cleanup purposes.

19 THE COURT: I'm not exactly sure that was an answer to
20 my question. I don't know whether you meant it to be or not.

21 MR. DONZIGER: Well, when you say who owns the
22 judgment, it's a class action Ecuador style, and it's owned by
23 all the people affected, with the FDA being the nonprofit
24 entity designated by the court to receive the funds. I don't
25 know if that answers your question or not.

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1 really would urge you, please, not to do that.

2 If there is a narrow concern based on 1901 -- they
3 don't believe me. They think I'm up here lying perhaps. So
4 they're like, Oh, he's probably telling not telling the truth.
5 How do we know he hasn't sold his shares? Well, I'm a lawyer
6 and I'm representing to you as an officer of the court right
7 now I have not sold my own shares. And if you don't believe
8 me, if you need more than that, please fashion a narrow
9 solution for me to give you materials in camera to prove that
10 to you, and I can. I can do that if you're willing.

11 And if you come away satisfied that that's consistent
12 with docket 1901, which explicitly allows the LAPs to sell
13 shares in the case to finance litigation expenses -- again, I'm
14 not selling my shares, I'm selling their shares. And I have a
15 fiduciary duty to them, and they understand what's happening
16 with the money. And, by the way, this issue of my clients
17 being concerned about this and that, that's a whole other
18 group, UDAPT, that's not my client. That's a footnote in their
19 reply.

20 I am happy, would be happy -- well, not happy, but I
21 would be more than willing to work with you and to see if that
22 would satisfy your Honor before we go through this incredibly
23 cumbersome process of sitting for depositions, turning over
24 documents. It's expensive; it's time-consuming. And with all
25 due respect, you might not like this, but I'm heavily, heavily